

## LIFE AND ANNUITY INSURANCE

# MassMutual Exec: Up to \$120 Trillion 'Great Wealth Transfer' Poses Opportunity for the Industry

By Terrence Dopp

SPRINGFIELD, Mass. //BestWire// - Anyway you look at it, the “Great Wealth Transfer” underway in the United States has some pretty big figures: estimates range anywhere between \$85 trillion and upwards of \$120 trillion in wealth that stands to be passed down from baby boomers to heirs.



Paul LaPiana

Cerulli & Associates in December projected the total wealth transferred through 2048 will total \$124 trillion, with \$105 trillion of that pool flowing to heirs and another \$18 trillion going to charity. Longer term, millennials stand to inherit the largest amount of any generation, \$46 trillion, while in the next 10 years Gen X will be the biggest beneficiary at \$14 trillion compared with \$8 trillion for millennials, according to Cerulli.

Paul LaPiana, head of brand, product and affiliated distribution for Massachusetts Mutual Life Insurance Co., said market movements can make the exact figure a difficult number to pin down, but the trend is inescapable. Generational wealth planning is in the DNA of the insurance industry, and it stands to gain from addressing the looming trend both through financial advice and products, he said.

“It boils down to what are the best methods of getting money into the hands of the next generation while you’re alive and at death and how do you efficiently do that?” he said. “That’s complex, and we feel pretty good with our own advisers’ expertise, but also then the products that are actually used to help some of the generational transfer itself.”

Such planning is typically an integral aspect of financial planning for the wealthiest Americans.

Where LaPiana sees the most need is in the “mass-affluent” and those who built an appreciable savings after a lifetime of work but never took part detailed financial planning that included transfer planning.

For a company such as MassMutual, advisers in its career agency system understand multi-generational financial planning as it’s historically what they do. The gap is in the fact that outside distribution organizations such as wires, banks and independents are serving clients but don’t have the same expertise on how to manage money both inside of and outside of a client’s estate, LaPiana said.

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Through an adviser force that understands the needs of both sides of the transfer, MassMutual stands to gain with both Generation 1 and Generation 2 or 3, he said.

"Advice and expertise of wealth transfer planning and legacy planning is not widely known in the industry in distribution organizations that are more asset management-focused and investment-focused versus protection-focused and that is a concern because if you go to certain distributors, they are going to do a plan and they're going to talk about investments," LaPiana said.

"They're not addressing the actual legacy planning, because that's not their wheelhouse. I think that's a gap," he said. "We feel good, but I don't know if everybody should."

Products such as life insurance with an accumulation feature stand to benefit greatly from the transfer, he said. The tax efficiency of life insurance positions it well for passing wealth to heirs, he said. He also cited permanent life, with an internal rate of return, as another product that could be used to facilitate.

For some families, the answer may lie in term policies with the option to convert them into permanent ones, LaPiana said. For companies, annuity pricing that is attractive but responsible will also be important.

"People have a lot of exposure to equities, and the markets are at all-time highs," he said. "How do you take some of that off the table and still get some upside but some downside protection for themselves, but also the next generation? So, I think some of those types of products, and the iterations that companies are making, changes."

For a company such as MassMutual, finding a niche with both those passing on the wealth and the ones receiving it will be key, LaPiana said.

It said life insurance protection in force surpassed \$1 trillion in 2024 and it paid out an all-time high of \$9.4 billion in insurance and annuity benefits ([BestWire, March 4, 2025](#)). MassMutual reported sales of more than \$41 billion in 2024 for its domestic insurance operations. Along with that, growing demand for personalized planning propelled growth in MassMutual's wealth management business reached an annual record of \$274 billion in client assets, the company said.

Between life insurance, annuities and investment products the insurance world currently has the product suite to handle this transfer, LaPiana said.

"The way we think about it as a distributor, it's about the expertise and competence and bringing all those stakeholders together to make sure that we're addressing goals and objectives and making sure what they

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would like to happen absolutely will happen," he said. "But then as a product manufacturer completely separate, we have life insurance, we have annuities, we have disability, work site-type products."

Addressing the Great Wealth Transfer won't necessarily require the industry to rewrite its product suite in a whole-cloth way, LaPiana said. He referred to that as "innovation with a capital I." Rather, he said "innovation with a lower case I" might be warranted: reexamining how it meets a new customer base and the role of digitalization and accelerated underwriting, among other categories.

"I think a lot of it is the products that are on the shelves with many of the good companies today capable of helping people facilitate this transition," he said. "We are always as an industry doing that and given the needs of the clients that are going to be inheriting the wealth also their buying patterns."

Underwriting entities of Massachusetts Mutual Life Insurance Co. have current Best's Financial Strength Ratings ranging from B++ (Good) to A++ (Superior).

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)

The views expressed are those of the author and don't necessarily represent the views of Massachusetts Mutual Life Insurance Company (MassMutual).

Client assets are as of 12/31/2024. Includes total client assets for MML Investors Services, LLC and MassMutual Private Wealth & Trust.

Client assets include both broker-dealer accounts and investment advisory programs

Rating by A.M. Best Company is as of 9/1/2025 and applies to Massachusetts Mutual Life Insurance Company and its subsidiaries, C.M. Life Insurance Company and MML Bay State Life Insurance Company. Ratings are subject to change.

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